

Senate Study Bill 3025 - Introduced

SENATE/HOUSE FILE _____

BY (PROPOSED ATTORNEY GENERAL
BILL)

A BILL FOR

1 An Act providing for increases in designated monetary limits

2 specified in the consumer credit code.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 537.1301, subsection 13, paragraph a,
2 subparagraph (5), Code 2014, is amended to read as follows:

3 (5) With respect to a sale of goods or services, the amount
4 financed does not exceed ~~twenty-five thousand dollars~~ the
5 threshold amount.

6 Sec. 2. Section 537.1301, subsection 14, paragraph a,
7 subparagraph (4), Code 2014, is amended to read as follows:

8 (4) The amount payable under the lease does not exceed
9 ~~twenty-five thousand dollars~~ the threshold amount.

10 Sec. 3. Section 537.1301, subsection 15, paragraph a,
11 subparagraph (5), Code 2014, is amended to read as follows:

12 (5) The amount financed does not exceed ~~twenty-five~~
13 ~~thousand dollars~~ the threshold amount.

14 Sec. 4. Section 537.1301, Code 2014, is amended by adding
15 the following new subsection:

16 NEW SUBSECTION. 46. "*Threshold amount*" means the applicable
17 threshold amount in effect during the period a consumer credit
18 transaction was entered into as determined pursuant to 12
19 C.F.R. §226.3(b).

20 Sec. 5. Section 554.13103, subsection 1, paragraph e, Code
21 2014, is amended to read as follows:

22 *e.* "*Consumer lease*" means a lease that a lessor regularly
23 engaged in the business of leasing or selling makes to a
24 lessee who is an individual and who takes under the lease
25 primarily for a personal, family, or household purpose, if the
26 total payments to be made under the lease contract, excluding
27 payments for options to renew or buy, do not exceed the ~~dollar~~
28 amount designated in section 537.1301, subsection 14.

29 EXPLANATION

30 The inclusion of this explanation does not constitute agreement with
31 the explanation's substance by the members of the general assembly.

32 This bill increases monetary limits applicable to certain
33 consumer credit transactions as specified in Code chapter 537,
34 the consumer credit code.

35 Currently, the definitions of consumer credit sale, consumer

1 lease, and consumer loan provide that the amount financed or
2 payable, as applicable, shall not exceed \$25,000. The bill
3 deletes references to this monetary amount, and substitutes
4 instead that the amount financed or payable shall not exceed
5 the "threshold amount."

6 The term "threshold amount" is defined to mean the
7 applicable threshold amount in effect during the period a
8 consumer credit transaction was entered into as determined
9 pursuant to a provision of the federal Truth in Lending Act
10 referenced in the bill. The referenced provision relates
11 to the calculation of a threshold amount in connection with
12 extensions of credit which are exempt from regulation under the
13 federal Act.